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FEDERAL CROP INSURANCE CORPORATION

A radio talk by John Bird, Federal Crop Insurance Corporation, broadcast in the Department of Agriculture portion of the National Farm and Home Hour Friday, February 10, 1939, by the National Broadcasting Company and a network of 100 associated radio stations.

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S. Department of Agriculture

--ooOoo--

BAKER:

Here is John A. Bird of the Federal Crop Insurance Corporation to give us some highlights on the latest crop insurance news.

BIRD:

Thanks, John Baker, You may not realize it, but the crop insurance program is about to have an anniversary -- its first.

BAKER:

First birthday, eh? That's right -- just about a year ago the Corporation was established.

BIRD:

February 16, 1938, to be exact. Next Wednesday's the first anniversary.

BAKER:

How are you going to celebrate the anniversary?

BIRD:

Well, anniversaries are important only as they mark progress, and crop insurance has come a long way since a year ago. Then it was just an idea -- now it is in actual operation. Until this year's crop was planted, wheat farmers have had to take their chances with the weather, insects, disease, and other hazards which might sweep away their year's work and leave them without a crop to sell. But now they can insure their wheat yields. In its first year more than 278,000 wheat growers have applied for crop insurance policies, and to date more than 116,000 have paid the premiums necessary to put the policies into force. This means crop insurance will have a demonstration in every community in which wheat is grown.

BAKER:

That's a pretty good start. But you still haven't told me whether or not you were going to celebrate.

BIRD:

No, I'm afraid we're too busy. You see we're moving into the most important phase of the program -- adjustment of crop losses.

BAKER:

I'd say that's a fitting climax to the year's work.

BIRD:

Yes, the adjustment plan was announced early this week, and it won't be long until some farmers will actually know what it is like to suffer crop failure, but still to have wheat to sell.

(over)

BAKER.

Will there be many losses?

BIRD:

We don't know yet, John. But we've already had some reports of losses as a result of floods, blowing, and winterkill. Naturally, among more than 116,000 policies some farms will run into bad luck -- that happens every year.

BAKER:

Then a grower won't have to wait until harvest time for settlements?

BIRD:

That depends on the circumstances. If it is a total loss, or one which is so severe that it would be useless to care for the crop -- the grower can get a settlement as soon as the loss can be adjusted.

BAKER:

How about a borderline case -- one where the crop is damaged, but not ruined?

BIRD:

That kind will have to wait until harvest so the yield can be measured.

BAKER:

That seems fair enough. One more question: a grower can collect his insurance payment either in wheat or the cash equivalent, can't he?

BIRD:

Yes, the Corporation has something like 3,600,000 bushels of wheat in storage now, reserved for payment of crop losses of insured farmers. At the time a grower files a claim for an indemnity he can ask either for wheat or cash. If he wants cash we will sell the wheat and pay him the equivalent. In any event, wheat or cash, through insurance the grower has off set the bad effects of crop failure.

BAKER:

And that's what growers have long hoped for. Thank you, John Bird, for this report on wheat crop insurance.

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